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SIPDIS

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SUBJECT: EU UNEMPLOYMENT UP TO 7.2 PERCENT; EURO ZONE RATE UP TO
7.8 PERCENT

11. SUMMARY. EU unemployment data just released by the EU Commission's Statistical Office (EUROSTAT) provide a further confirmation of the worsening situation of the labor market in EU countries. The aggregate unemployment rate for the EU-27 reached 7.2 percent in November 2008 (up from 7.1 percent in October), according to data published on January 8. Unemployment in the euro zone (EU countries participating in the euro) increased to 7.8 in November 2008 (also up 0.1 percentage point on the previous month).
END SUMMARY.

12. With seasonal adjustment and compensation for differences in national statistical methods, the unemployment rate for the EU-27 stood at 7.2 percent in November 2008, up from 7.1 percent in October 2008 and from 6.9 percent in November 2007. The unemployment rate for the euro zone stood at 7.8 percent in November 2008, up from 7.7 percent in October 2008 and from 7.2 percent in November 2007 (comparison based on EU-15; euro zone membership effective in November 2007).

13. The lowest monthly rates among those compiled by EUROSTAT from the EU-27 for November 2008 were recorded in the Netherlands (2.7 percent), Austria (3.8 percent) and Cyprus (3.9 percent). The highest rates were recorded in Spain (13.4 percent), Slovakia (9.1 percent) and Latvia (9.0 percent).

14. EUROSTAT noted that thirteen countries among the EU-27 recorded a decrease in their unemployment rate over a year and fourteen an increase. The most significant decreases (November-to-November comparison) occurred in Poland (from 8.5 percent to 6.5 percent) and Slovakia (from 10.5 percent to 9.1 percent), while the highest increases occurred in Spain (from 8.6 percent to 13.4 percent) and Estonia (from 4.1 percent to 8.3 percent).

15. Based on EUROSTAT estimates, male unemployment reached 7.0 percent in November 2008 for the EU-27 and 7.4 percent for the euro zone, up 0.7 percentage point and 0.9 percentage point respectively when compared to November 2007. The female unemployment rate over the same period reached 7.5 percent for the EU-27 and 8.3 percent for the euro zone, unchanged and up 0.1 percentage point respectively over the twelve-month period.

16. Unemployment rates among young people under 25 for November 2008 ranged from 5.4 percent in the Netherlands and 6.9 percent in Austria to 29.4 percent in Spain and 23.8 percent in Sweden. The November 2008 rate for this age group was estimated at 16.4 percent for both the EU-27 and the euro zone, compared to 14.7 percent (plus 1.7 percentage point) and 14.5 percent (plus 1.9 percentage point) respectively for November 2007.

17. EUROSTAT estimated that 17.466 million were unemployed in the EU-27 in November 2008 (12.180 million in the euro zone). In absolute numbers, the number of unemployed increased by

1,134,000 for the EU-27 and by 1,059,000 for the euro zone over the twelve-month period.

18. Following is the breakdown of unemployment rates in ascending order for the individual EU member states:

(Seasonally-adjusted)

(November 2008 rates unless otherwise indicated)

Netherlands	2.7
Austria	3.8
Cyprus	3.9
Denmark	4.1
Slovenia	4.3
Czech Republic	4.5
Luxembourg	4.6
Bulgaria	5.1
Malta	5.8
Romania	5.8 (third quarter 2008)
UK	5.9 (September 2008)
Finland	6.4
Poland	6.5
Italy	6.7 (third quarter 2008)
Belgium	7.0
Lithuania	7.0
Sweden	7.0
Germany	7.1
Greece	7.5 (third quarter 2008)
Portugal	7.8
Ireland	7.9
France	7.9
Estonia	8.3

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Hungary	8.3
Latvia	9.0
Slovakia	9.1
Spain	13.4

EU-27	7.2
Euro zone	7.8

19. The monthly rates and numbers of unemployed are estimated and based on data from the EU labor force survey. The estimated rates may differ from national unemployment rates due to differences in methods and definitions of unemployment. Unemployed people according to ILO criteria are those aged 15 and over who:

-- Are without work;

-- Are available to start work within the next two weeks; and

-- Have actively sought employment at some time during the previous four weeks.

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